Inflation and "Free Enterprise" In Saigon, P. 3

The Most Overwhelming, Voluminous, Crushingly Documented Non-Revelation Of All Time

Our screening of more than six tons of documents captured in the Cambodian operations has provided conclusive proof of Communist reliance on Cambodia as a logistic and infiltration corridor.

—From President Nixon's report on the Cambodian operation.

How did the CIA go through more than six tons of documents so quickly? With steam shovels?

I. F. Stone's Bi-Weekly

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Nixon In The Footsteps of Popeye's Elder Statesman

A President with troops scattered around the globe can always find some excuse for action "to protect them." The successful assertion of Congressional authority over the war-making powers of the President is not a constitutional problem. The real problem to which Congress and the country should address themselves lies in the nature of our foreign policy and the size of our military establishment. As long as we have navies on every sea, bases on every Continent, Green Berets for intervention and C-5As for swift intercontinental transport, the chances of stumbling into new Vietnams and Cambodias—or worse—will remain high.

Too Busy Splitting Legal Hairs

This basic question was hardly touched upon in the Senate debate over the Cooper Church amendment. The rationale for the expansionist course we have been pursuing since the Truman Doctrine was put by one of Nixon's Republican supporters, Senator Hansen of Wyoming. He said World Wars I and II had taught us the "hard lesson" that we had to maintain an active role in keeping the peace "or we will be forced to fight big wars." To pull out of the war in Southeast Asia, *or anywhere else that the President thought our involvement necessary,* "would be," Hansen said, "to abdicate our responsibilities as a great nation and as a force for justice and liberty." This is the basic premise of our disastrous involvement in Indochina but it was not challenged. The supporters of the Cooper-Church amendment were too busy splitting enough constitutional hairs to muster a majority.

The real lesson of the two World Wars was just the opposite. The lesson was that no single power, or combination of powers, was strong enough to keep the peace, that only a world organization could save mankind from a fresh catastrophe. It was this realization which led to the League of Nations and afterwards to the United Nations. If the UN fails, it is unlikely that mankind will have another chance. These vital truths are receding from public consciousness. When the UN held its 25th anniversary June 26 in San Francisco neither the President nor the Secretary of State put in an appearance or bothered to send a message. This was the first anniversary not addressed by an Americatn President. Truman, Eisenhower and Johnson each honored the UN's birthday. This may well be dismissed as hypocrisy but at least the sinners turned up in church. This time the affair was ignored. Even in the rebellious Senate no one marked the occasion. U Thant's anniversary address was hardly noticed in the press though its insight and humanism (see boxes on pps. 1 and 4) shine like secular Gospel beside the inanities and evasions of Nixon's efforts to represent his Cambodian search-and-destroy operation as an Indochinese Stalingrad.

In his TV interview on Cambodia, Nixon conjured up the danger of a "rampant isolationism" if we were forced out of Indochina. A President who says he fears isolationism ought to be a supporter of the UN. But when people like Nixon speak against isolationism they are not advocating internationalism. What they fear is a revulsion against militarism and imperialism. The *Pax Americana* is the "internationalism" of Standard Oil, Chase Manhattan and the Pentagon. Nixon is, it is true, trying somewhat to cut down American commitments abroad under irresistible fiscal pressures. White House briefers speak of abandoning our world policeman role, but the alternative they offer is not a revitalized UN but the so-called Guam Doctrine. This is imperialism by proxy. We may be on the verge of imposing quotas against the Orient's low-wage textiles but we are eager to buy its low-wage soldier-power. The Guam Doctrine will be seen in Asia as a rich white man's idea of fighting a war: we handle the elite airpower while coolies do the killing on the ground.

The Truth All Recognize and None Heed

First and foremost there must be on the part of governments a radical change from present power politics to a policy of collective responsibility towards mankind. The world is too small to allow continued blind acceptance of the sacrosanct concept of national interest. Where has national interest led us? To an arsenel of ugly weapons, which cost $200 billion a year; to the greatest historical deadlock between big powers that the world has ever seen; to north-south, east-west, ideological, racial and economic cleavages; to a belt of divided countries; to a series of smouldering or active conflicts stretching across the globe. No big power will ever be able to solve these problems alone. No big power will ever rule the world alone. No nation will ever be able to live again in splendid isolation. On this most solemn occasion I must most emphatically warn nations not to pursue their present outmoded and fratricidal course. Time is running short.

—Secretary General U Thant speaking June 26 in San Francisco on the 25th anniversary of the UN. He pleaded for making the UN universal by admitting Communist China and the divided nations. (Abridged)

Combat By Coolie

Unfortunately faith in victory by airpower and combat-by-coolie is so deeply ingrained in American thinking that it was sometimes hard to tell doves from hawks in the Cooper-Church debate. "The argument has been made," Cooper said, "that our amendment scuttles the Guam Doctrine." He said its purpose was merely to require Congressional approval before

(Continued On Page Four)

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If Ever There Were A Case For Secret Diplomacy, it is in the present Middle Eastern crisis. Both the Arab and the Israeli governments are locked in by hard-liners, so sensible discussion can only be in private. We therefore think Secretary Rogers justified in being as non-committal on the content of the new U.S. peace initiative as he was at his last press conference. From Israel's point of view several propositions seem to us incontestable: compromise is preferable to a new war; Israel is unlikely ever again to occupy such a situation of strength as today, when she dominates the air on all her borders; it is as true now as it was just after the 6-day war, when almost all Israeli leaders admitted it, that recognition and peace were worth more than the occupied territories; and finally that in the renunciation of these territories lies the one hope of resettling the Arab refugees and giving the Palestinians a State of their own. Resettlement and restitution will be a billion dollar proposition but far cheaper than the cost of a new war. Israel's hope of survival lies in the rebirth of an Arab Palestine with which the Jewish state can eventually develop fraternal ties much as was envisaged in the original UN partition plan.

The First Meeting Between a Jewish leader and an Arab ruler took place on June 24 when Dr. Nahum Goldmann, president of the World Jewish Congress, met with King Hassan II of Morocco, two days after being received at Brioni by Marshal Tito. Last April the Israeli government created something of a furore by refusing to allow Dr. Goldmann to talk with Nasser. It appears that this time he acted without permission, but the Israeli government says he violated no law because Morocco is not officially at war with Israel. According to *Le Monde* (June 24) Arab diplomats in the Yugoslav capital were informed in advance of the Goldmann visit. We would like to see Dr. Goldmann talk next with Nasser. Such private unofficial discussions may help pave the way for a settlement. Among the more wicked repercussions of the Middle Eastern crisis is Nelson Rockefeller's proposal that the U.S. buy a pro-Israel solution, in effect, by offering Moscow an entente and perhaps aid in a Sino-Soviet war. In the same vein of idiot politics was a recent Tass dispatch (*London Times* June 25) linking Peking to a pro-Zionist plot and declaring that most American experts advocating better relations with Peking were Jews trying to divert Moscow from the Middle East!

We Appeal To Journalists here and abroad, particularly those of the left, to organize a defense committee for the forthcoming trial of Jiri Hochman, the Czech journalist who played so inspiring a role on the *Reporter*, the liberal journal during the Dubcek period. Since its closure in April 1969, he has been blacklisted and works as a mechanic to support his family. I knew him well when he was correspondent here in Washington for *Rude Pravo*. Like the Polish correspondents of that period (now either exiled or house-broken by the degenerate Gomulka regime), he was a loyal Communist but one with whom it was possible to talk sense instead of exchanging empty party clichés. The hope of some day combining socialism with freedom of expression (as Rosa Luxembourg vainly urged early in the Russian revolution) rests with such brave men as Hochman. Freedom of the press represents a universal necessity for any good society, and we who believe in it should rally to help him in his coming "purge" trial by the Russian occupiers and their Czech flunkies. Would Jean-Paul Sartre be willing to take the lead in the Hochman case?

Memo To Senate Foreign Relations: U.S. combat operations are legally forbidden in Laos but Tammy Arbuckle, the best correspondent there, reported in the *Washington Star* (June 10) after Saravane fell, "U.S. ground combat teams

How Cambodia Looks From The Other Side

From behind guerilla lines the great success that President Nixon has claimed in Cambodia has the doubtful look of imminent failure. What I saw and heard convinced me that Nixon's policies inadvertently were helping to create conditions for a Communist-controlled "people's war." We travelled through a large area of eastern Cambodia where enemy forces appeared to operate at will despite the presence of thousands of American and South Vietnamese troops. The Cambodian "sanctuaries," far from getting wiped out, are being forced to spread out over wider territory with no foreseeable limit on their westward expansion. The Cambodian countryside, where most of the population live, is being radicalized and turned into a massive, dedicated and effective revolutionary base.

—*Abridged from the final installment* (Washington Star, *June 28) of Richard Dudman's account of his captivity with two other Western reporters.* The New York Times *did not publish the conclusion of this series from the* St. Louis Post-Dispatch.

Goodell and Proxmire Introduce A Bill To Lift The Blackout On The Cost Of The War

If Congress is to do something realistic about inflation, a starting point is information on the costs—past, current and projected—of the Vietnam war. Over the years Congress has been hampered in obtaining accurate information on Vietnam war spending. Over and over again Congress has been presented with underestimations of the cost of the war by successive administrations. This year the Administration has decided to withhold from Congress the current cost of the war.

The President said last week, "We must deal with the problems of a nation in transition from a wartime economy to a peacetime economy." How are we to deal with these problems when we are not told what the war is costing? How are we to know the size of the peace dividend when we are not told how much war spending has been reduced? How are we to help minimize the disruptive effects of needed cutbacks in wasteful defense spending on local employment and the economy of local communities when we are not told where and when and what job sectors will be affected?

The purpose of the Goodell-Proxmire amendment requiring an annual report on military expenditures is to provide Congress with information over several fiscal years on the impact of national defense expenditures on wages, prices, employment and the general state of the economy. Information is to include costs of the Vietnam war, the amount of the peace dividend, the costs of planned military assistance to Southeast Asian countries, and the level of overall weapons spending. In addition, the report is to contain programs and policies which the Federal government proposes to institute to minimize the disruptive effects of reductions or increases in defense expenditures on local employment and the economy of local communities.

—*Goodell* (R. N.Y.) *in the Senate June 22.*

The Council of Economic Advisers now makes a 5-year projection for the economy. In making that projection they must of necessity project defense expenditures. But that information is not available to Congress. Defense spending plans are made that far in advance. We should know their economic consequences.

—*Proxmire* (D. Wis.) *in the Senate same day (abr.).*

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conducting trail reconnaissance near Saravane were not attacked. . . ." . . . ON PRECISION BOMBING: *Aviation Week* (June 29) says U.S. air strikes in Cambodia will be "carefully controlled" through Cambodian forward air controllers "accompanying at least some of the missions to 'verify' the target." It adds, "Just how the non-English speaking controllers communicate with the non-Cambodian pilots was unclear last week at the Pentagon." Peasants murdered by mistake please excuse . . . STATISTICS: We call attention to two dispatches on the inflation of statistics in our computerized Indochinese operations: Michael Parks in the *Baltimore Sun* (June 26) on the exaggeration of the arms haul in Cambodia. A platoon leader told Parks the figures are only estimates in the first place but "If the Major thinks they're too low he just increases them anywhere from 20 to 40% although he rarely sees the caches." Max Clos in *Le Figaro* (June 23) indicates inflation in the pacification figures. Village chiefs tend to report what will bring them congratulations and material benefits. Computerized operations seem to combine the delusions of certitude with the comforts of self-deception.

TONKIN GULF: Though the resolution has now been repealed, only McCarthy supported Young of Ohio when he challenged the nomination of Admiral Moorer to be Chairman of the Joint Chiefs of Staff on the ground that Moorer was Pacific commander at the time of Tonkin Gulf and responsible for the two "incidents," one provoked, one imaginary, which led to the resolution. The Senate's power to reject such military promotions is one weapon it has to police the high brass but it weakly looks the other way instead . . . SPEAKER MCCORMACK: Nothing we have ever seen in Washington is quite as extraordinary as how the Speaker has escaped attack or questioning in the scandalous Voloshen-Sweig lobbying affair now being tried in New York City. It strains credulity to believe that McCormack was so monumental a fool as to be unaware of what these two influence peddlers were doing so many years in his office and on his telephone, sometimes with his direct help!

LAW AND ORDER: Alan and Margaret McSurely, anti-poverty workers, convicted here for contempt of the McClellan committee, will test on appeal whether "law and order" is for real or only for racial oppression. The subpoenas they refused to obey were wrongfully based on information illegally obtained. Their Kentucky home was raided in 1967 and they were charged with sedition on the basis of "documents" seized. A Federal appeals court ordered the charges dismissed and the documents returned. Is a Senate committee above the law? Can it use such documents for McCarthy-era harassment of activist-idealists like the McSurelys?

JOURNALISTIC FOOTNOTE (SOUR): Young of Ohio told the Senate June 29 that during the week of May 15 the White House asked a group of reporters, including Reston of the *New York Times,* "not to embarrass the Government by printing the details" of U.S. air raids over Cambodia, Laos and North Vietnam the previous week-end after they became known through news dispatches from Hanoi. But no paper reported his remarks or the pressure from the White House.

When Railroad Directors Don't Know From Nothing

Howard Butcher 3rd of Butcher & Sherrerd, Philadelphia [stock brokers], was until recently one of the Penn Central's biggest supporters. Mr. Butcher's recommendation of January when the stock was 28¾—"I don't know of any other stock that could go to five times what it is selling at now." At that time Butcher & Sherrerd, its customers and the Butcher family owned some $1.5 million worth of Penn Central shares. He said he went sour on the stock May 15 "when I saw that the company had lost $193 million from railroading last year and $101.6 million this year."

He said none of the directors had any idea the Penn Central was losing that much money from railroading. "Even when I was on the board of directors I never saw the raw railroad operating results." Mr. Butcher was asked why he had not seen those results. "Why not? Because they didn't show them to you—that's why."

—Robert Metz: Market Place *in the financial pages of the* New York Times *June 24.*

The Cost Of Fighting The War In South Vietnam On "Free Enterprise" Principles

As of Oct. 26, 1969, the Government of Vietnam [sic] decreed a whole set of new austerity taxes designed to increase the cost of less-essential commodities while protecting the purchasing power of the poor people by exempting essential commodities . . . Even this measure, designed to progressively tax higher incomes, has confronted President Thieu with serious political opposition.

—State Dept. letter Jan. 2 to Chairman Moss of the House Foreign Operations and Government Information subcommittee rejecting his proposal that the U.S. press Thieu to curb inflation by devaluing the piaster.

Since 1965, U.S. piaster purchases have totalled more than $1.3 billion. The U.S. must pay for its piaster needs two to three times the number of dollars that it would have to pay if the exchange rate were realistic.

The Oct. 1969 austerity tax lined the pockets of profiteers at the expense of the poor. Although the tax was designed to double and triple the price of luxury type items, the result was an overall price increase in virtually all commodities, including rice. Between June 1966 and February 1970, the Saigon retail price index for all commodities climbed from 193 to 579, an increase of 300% while the index for food climbed 330%.

The failure of the GVN to enact wage and price controls and other belt-tightening procedures has contributed to inflation. Since the beginning of the war "business as usual" has continued to be conducted throughout South Vietnam and the businessmen and profiteers who control most of the Vietnamese economy continue to get rich at the American taxpayers' expense.

The subcommittee compared economic conditions in North Vietnam. The North has experienced inflation, particularly for basic commodities such as rice.

To control the rate of inflation the North has relied primarily upon rationing, price controls and Communist bloc imports, primarily in the form of grants. Rationing in the North allows the average peasant about 2,000 calories a day. A recent study by the Stanford Research Institute determined that the basic diet for the Far East peasant should be 1800 calories a day.

The estimated total economic aid to the North by the Communist bloc through 1969 amounted to $2.7 billion as compared to $4.0 billion provided the South by the U.S.—in addition to the tens of billions of dollars in military aid. Obviously the stringent controls and rigidly enforced austerity enacted in the North, as compared to the uncontrolled "free enterprise" speculative economy in the South, is a reason why the U.S. has had to provide about twice as much economic aid as the Communist bloc.

—From the report on the South Vietnamese inflation, its cost and corrupting influence, by the House Subcommittee on Government Operations June 28 (abridged).

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"Free Asia" In No Rush to Man Cambodia's "Frontier of Freedom"

(Continued From Page One)

extending the doctrine to Cambodia again. "Nothing in the Cooper-Church amendment," Church assured the Senate, "would prevent Asians from helping Asians." He called this "a viable and valid cause." Helping is quite a euphemism for what we have been getting Asians to do to each other. Church said the amendment would not prevent the Thais or the South Vietnamese from fighting "for the Lon Nol government." It would merely require prior Congressional approval for "the kind of undercover arrangements that were used to make it so profitable for Thailand, South Korea and the Philippines to send their forces to Vietnam." It may sound to Asians as if the doves merely wanted to drive a harder bargain for their services.

Another Subtly Split Hair

The Cooper-Church restrictions on U.S. airpower over Cambodia may also prove too subtle for the Oriental mind. The amendment does not prohibit U.S. bombing of Cambodia nor U.S. close air support of South Vietnamese or Thai forces *in* Cambodia. It only forbids "direct" air support to Lon Nol's forces. The word "direct" was added on motion of Senator Jackson. It was foreshadowed by Secretary Laird's earlier explanation that while we were only going to bomb enemy supply lines in Cambodia, Lon Nol troops who just happened to be in the same area might derive "ancillary benefits" from it. No Secretary of Defense has shown a finer genius for semantics.

The Guam Doctrine may be traced back to that elder statesman, Wimpy, in the Popeye comic strip. Wimpy in a crisis always manfully suggests, "Let's you and him fight." In trying this out on Asia, Nixon hardly pays a compliment to the astuteness of its ruling classes, the world's oldest merchants. They were taking customers tenderly to the cleaners in their bazaars when the progenitors of Anglo-American civilization were still painting themselves a bright baby blue. The first time we tried Wimpy-Nixon statecraft was in China. There the Asians on our side ended by making business not war. They sold whole armies to the Asians on the other side and retired with the swag to Taiwan. SEATO's latest meeting, like that of "free Asia" in Djakarta a few weeks earlier, indicates no rush to man the Cambodian "frontier of freedom." Indonesia, the pride and joy of our anti-Communists, flatly turned down Pnom Penh's request for arms. SEATO's final communique "expressed understanding" for Lon Nol's appeal. The Thais are waiting to see how much we are willing to pay. If the price isn't high enough, they'll come to terms with China. To them this may not seem to be the fate worse than death we proclaim it. Japan deals with China. So does Burma. No Chinese planes, after all, are devastating Asia. Mao's Little Red Book doesn't look as scary as a B-52. Why be an American style anti-Communist if you can't make an honest buck on it?

The Old Bloody Religious Wars In Secular Guise

The crisis of extreme inward-looking nationalism is further aggravated by the superimposition of ideologies or political systems which claim that they alone have the key to man's future. There has been nothing more damaging in human history than the claim of exclusivism. To it we owe the long religious wars, all waged in the name of exclusive possession of the truth. It is only recently that there has been evidence of some mutual understanding in the pursuit of common religious objectives. Should we again lose precious years in a similar divisive exercise? Is it so difficult to recognize that ideologies are perfect only in theory? The world has become so complex, the pace of change so rapid and the newly emerging problems so numerous that no rigid system is able to cope with all problems. I believe we are about to embark on the most variegated search for political, institutional, legal and moral solutions. There can be no universal recipe or system.

—U Thant on the UN's 25th birthday (abridged).

The McGovern-Hatfield Deadline

"The prospect suddenly loomed," Nixon said in his formal report explaining his latest *incursion*, "of Cambodia's becoming virtually one large base area for attack anywhere into South Vietnam along the 600 miles of the Cambodian frontier." What happens when that prospect suddenly looms up again? This is the question he never answered in his TV interview. Do we go back in, bomb Hanoi, invade the North or commit some larger folly? The least Congress can do is pass the McGovern-Hatfield bill and set a firm date on our withdrawal from the Indochinese morass. Not enough Asians are going to fight Asians for us even if the price is right.

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